

**CENTRAL SAN JOAQUIN
WATER CONSERVATION DISTRICT**

**Municipal Service Review and
Sphere of Influence Plans**

August 1, 2024

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

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CHAPTER 1: BACKGROUND

Local Agency Formation Commission (**LAFCo**) are responsible for the determination of the sphere of influence (**SOI**) of local governmental agencies. Specifically an SOI designates the probable physical boundary and service area of a local agency. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (**CKH Act**) requires a LAFCo to prepare a service review prior to or concurrent with an update of an SOI because a service review provides information upon which LAFCo can base its action on an SOI. The service review evaluates existing and future service conditions and reviews the advantages and disadvantages of various governmental service structure options in the form of written determinations.

CENTRAL SAN JOAQUIN WATER CONSERVATION DISTRICT (**Central**) has prepared this Sphere of Influence and Service Review in addition to filing a petition for annexation of lands.

In accordance with the CKH Act, the service review addresses six categories for which LAFCo must render written determinations pursuant to California Government Code §56430:

- Growth and Population Projections
- The Location and Characteristics of Any Disadvantaged Unincorporated Communities within or Contiguous to the Sphere of Influence
- Present and Planned Capacity of Public Facilities and Adequacy of Public Services including Infrastructure Needs and Deficiencies
- Financial Ability of Agencies to Provide Services
- Status of, and Opportunities for, Shared Facilities
- Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies

In addition, LAFCo must make four separate determinations with regard to the SOI boundaries:

- Present and Planned Land Uses
- Present and Probable Need for Public Facilities and Services
- Present Capacity of Public Facilities and Adequacy of Public Services
- Social and Economic Communities of Interest

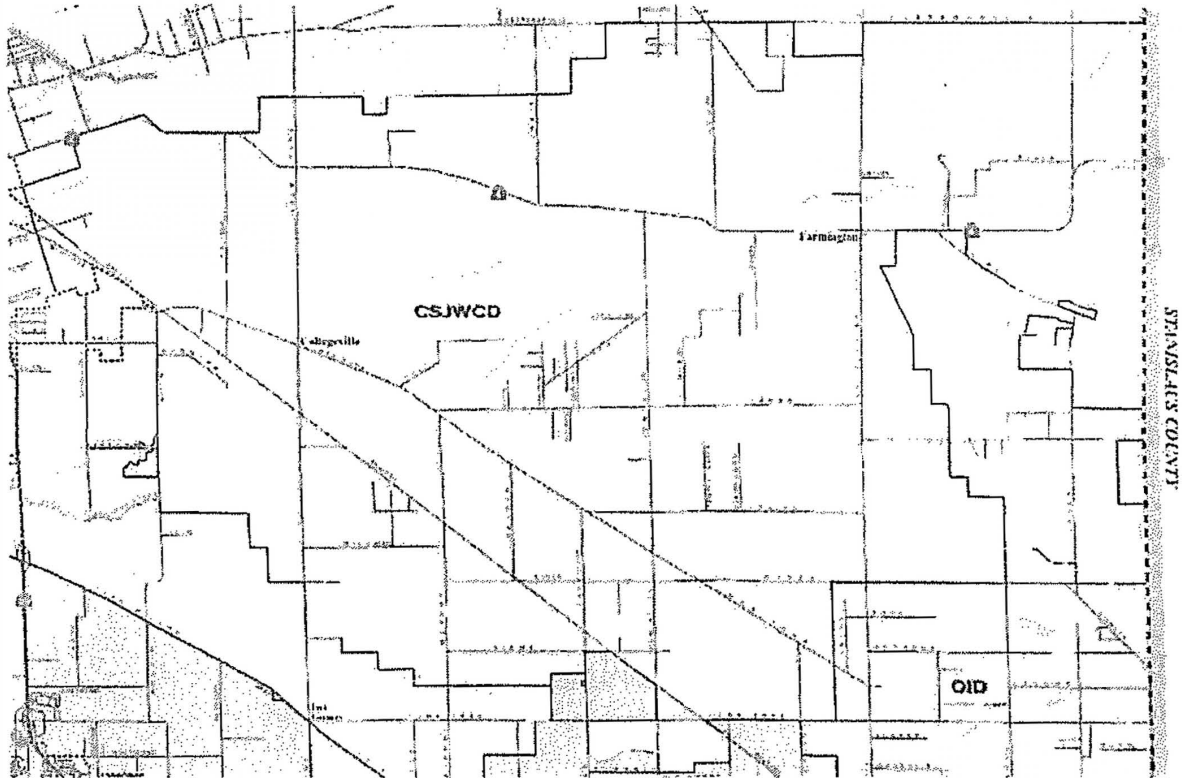
1.1: SUMMARY OF CENTRAL

The current boundaries and sphere of influence for Central are shown on **Figure 1** and **Table 1-1** presents a profile of Central.

Table 1-1: Profile of Central San Joaquin Water Conservation District

Type of District:	Water Conservation District
Principal Act:	California Water Code, Division 21, Sections 74000 et seq.
Functions/Services:	Raw untreated water for agricultural irrigation.
Main office:	11 S. San Joaquin Street Suite 306 Stockton CA 95202
Mailing Address:	11 S. San Joaquin Street Suite 306 Stockton CA 95202
Email:	reidwroberts@gmail.com
Phone No.:	209.466.7952
Fax No.:	209.466.7953
Web Site	http://csjwcd.com
General Manager	Reid W. Roberts
Board of Directors	
	Vacant, Division 1
	Grant Thompson, Division 2
	Vacant, Division 3
	Richard Veldstra, Division 4
	Eugene Caffese, Division 5
	Anthony Chiappe, Division 6
	Richard Wagner, Division 7
Meeting Schedule:	First and/or third Thursday of each month at Noon
Meeting Location:	Collegeville Fire Station 13225 East Mariposa road Stockton, CA 95205
Date of Formation:	December 22, 1958
Principal County:	San Joaquin County
Other Counties:	None

Figure 1 Central San Joaquin Water Conservation District Boundaries



1.2: SUMMARY OF PENDING REQUESTS

ANNEXATION PETITION:

A map of the parcel to be annexed is shown on **Figure 2** and a map of Central with lands to be annexed, is shown on **Figure 3**.

SJC District Viewer

Figure 2
Lands to be annexed
into the Central,
13300 S. Jack Tone Road,
Stockton CA

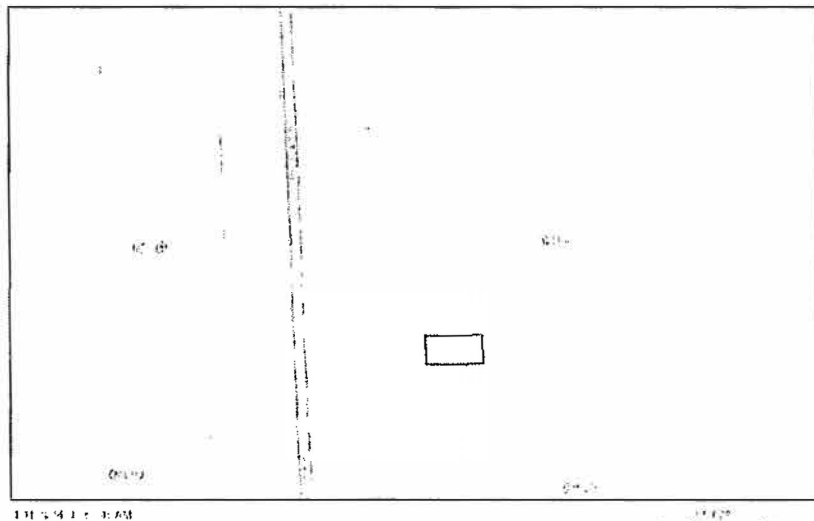


Figure 3: Map of Central south-west boundary including lands to be annexed



CHAPTER 2: INTRODUCTION

LAFCo's are independent agencies in each county, established by state legislation in 1963, to oversee changes in local agency boundaries and organizational structures. It is LAFCo's responsibility to: oversee the logical, efficient, and most appropriate formation of local cities and special districts; provide for the logical progression of agency boundaries and efficient expansion of municipal services; assure the efficient provision of municipal services; and discourage the premature conversion of agricultural and open space lands (Government Code [GC] §§ 56100, 56301, 56425, 56430, 56378).

This document presents a MSR and is intended to provide San Joaquin LAFCo with the necessary and relevant information for an analysis of Central's SOI.

2.1: ABOUT SAN JOAQUIN LAFCO

The San Joaquin LAFCo's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. San Joaquin LAFCo has adopted policies, procedures and principles that guide its operations. Municipal Service Review Policies were adopted on June 21, 2007 and amended on December 14, 2012. Sphere of Influence Policies and Procedures were adopted on September 21, 2007 and amended on December 14, 2012. These policies and procedures can be found on San Joaquin LAFCo's website (<https://www.sjgov.org/commission/lafco/default>).

Existing efficiencies in public service deliveries and suggestions for new opportunities to improve efficiencies is a key objective of this MSR/SOI, consistent with LAFCo's purposes. Since this MSR/SOI will be published on LAFCo's website, it also contributes to LAFCo's principle relating to transparency of process and information. A public workshop followed by a noticed public hearing will be conducted by LAFCo on this MSR/SOI, thereby contributing to LAFCo's aim of encouraging an open and engaged process.

2.2: PURPOSE OF THE MSR & SOI

MSRs are intended to provide LAFCo with a comprehensive analysis of services provided by cities and special districts. Chapters 1-7 contain information and analysis necessary to evaluate existing boundaries and consider SOI for the water service provider. Written determinations, in each of seven mandated areas required by law, are presented in Chapter 7, MSR Determinations of this MSR.

As stated above, LAFCo is required to adopt a SOI, as defined in GC §56425 "a plan for the probable physical boundary and service area of a local agency...", for each District and each agency in its jurisdiction. When reviewing and determining SOI for this service provider, LAFCo will consider and make recommendations based on the following information:

- The present and planned land uses in the area;
- The present and probable need for public services and facilities in the area;
- The present capacity of public facilities and adequacy of public services that the agency provides;
- The existence of any social or economic communities of interest in the area if LAFCo

determines that they are relevant to the service provider; and

- The presence of disadvantaged unincorporated communities for those agencies that provide water, wastewater, or structural fire protection services.

2.3: METHODOLOGY FOR THIS MSR

A MSR was prepared for Central by San Joaquin LAFCo in 2012. This new MSR evaluates the structure and operation of Central and discusses possible areas for streamlining, improvement, and coordination. The references utilized in this study include published reports; review of agency files and databases (agendas, minutes, budgets, contracts, audits, etc.); master plans; capital improvement plans; engineering reports; Environmental Impact Reports; finance studies; General Plans; and state and regional agency information (permits, reviews, communications, regulatory requirements, etc.) as listed in Chapter 9, References, in this document.

This MSR forms the basis for specific judgments, known as determinations, about each agency that LAFCo is required to make (GC §56425, 56430). These determinations are described in the MSR Guidelines from the Office of Planning & Research as set forth in the CKH Act, and they fall into seven categories, and an analysis of the issues and written determination(s) of them shall be included in the MSR. The categories are as listed below:

1. Growth and population projections for the affected area;
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. Present and planned capacity of public facilities and adequacy of public services including infrastructure needs or deficiencies;
4. Financial ability of agency to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including government structure and operational efficiencies; and
7. Any other matter related to effective or efficient service delivery, as required by commission policy.

2.4: METHODOLOGY FOR SOI ANALYSIS

The CKH Act indicates that LAFCo should review and update a sphere of influence

periodically, as necessary, consistent with GC §56425(g) and §561061. This is presented in Chapter 8. Additionally, an annexation of land into Central is proposed for which Central has made its CEQA determination.

The California Environmental Quality Act (CEQA) (Public Resources Code §21000, et seq.) requires public agencies to evaluate the potential environmental effects of their actions. Typically, MSRs are exempt from CEQA, however due to the proposed annexation Central has prepared an initial study to consider the potential effects of the proposed project on the following resources:

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation and Traffic
- Utilities and Service Systems
- Mandatory Findings of Significance

The initial study determined that the project would not negatively impact the above resources. It is attached hereto as **EXHIBIT B**, and is also available for public review on Central's website at www.csjwcd.com and San Joaquin LAFCO website www.sjgov.org/commission/lafco/.

2.5: PUBLIC PARTICIPATION

The Commission will hold a public hearing to approve the Final MSR and once finalized, it will be published on the Commission's website (<https://www.sjgov.org/commission/lafco/default>). In addition to this MSR, LAFCo's office maintains files for each service provider in San Joaquin County. These materials are also available to the public for review.

CHAPTER 3: DISTRICT GOVERNANCE

3.1: DISTRICT OVERVIEW

Central was originally formed on December 22, 1958 as a water conservation district under Division 21 of the California Water Code (section 74000 et seq), and provides the delivery and sale of

irrigation water. The District consists of approximately 73,000 largely agricultural acres located in the unincorporated territory of east/central San Joaquin County, 6,300 acres are within the SOI of the City of Stockton.

3.2: LOCATION AND SERVICES

Location and Size

Central is comprised of approximately 73,000 agriculturally acres with a sphere of influence of approximately 6,000 acres in southern San Joaquin County, as shown in **Figure 3-1**.

Table 3-1: Geographic Data	Central
Size of Boundary	73,000 acres
Size of Sphere of Influence Area	6,000 acres + 73,000
Total Number of Assessor's Parcels (APNs) – AG only	1,859
Water Customers	950
Population Served	6,500

Type and Extent of Services: Central provides for the delivery and sale of raw irrigation water to approximately 54,000 acres of irrigated land within its boundaries.

3.3: FORMATION AND BOUNDARY

Central was formed as a water conservation district in December of 1958 in order to provide the delivery and sale of irrigation water. The principal act for Central is the California Water Code, Division 21, Section 74000, et seq. Central is entirely within San Joaquin County and is classified as an independent special district which is governed by an elected Board of Directors.

Sphere of Influence

Central's sphere of influence was adopted by the Commission on March 18, 1983. Several minor amendments to its sphere of influence have been made concurrently with detachment and annexation requests. The District's existing boundaries contain approximately 73,000 acres which is slightly less than the sphere area.

Extra-Territorial Services

This section describes public services that are currently provided to parcels located outside a district's proper boundary. Central's public services are only provided to those areas that are located within its boundaries.

3.4: GOVERNMENT STRUCTURE AND ACCOUNTABILITY

This section describes the existing governance structure and accountability features for Central. Table 1-1 (see Chapter 1) lists the members of the Board of Directors.

Central is governed by a Board of Directors that are elected by registered voters. Directors must be an elector of the division of which he or she is elected, a qualified elector of the district, and a resident of the county where the district is situated. Water Code Section 74200. Each Director on the Board represents a division within Central.

Central's Board meetings occur on the 1st and/or 3rd Thursday of each month at noon. The meeting location is the Colleeville Fire District office at 13225 East Mariposa Road, Stockton, CA 95215. All meetings are open to the public in accordance with the Brown Act (Government Code §§ 54950-54926). The agenda for meetings of the Board of Directors includes a public comment period. The District's website (www.csjwcd.com) is a communication vehicle for meeting agendas, minutes, and other important information related to District activities. The District also posts information regarding the Annual Meeting, Groundwater Conditions, and the setting of Surface and Groundwater Rates.

3.5: MANAGEMENT EFFICIENCIES AND STAFFING

Central operates under the direction of the elected Board of Directors. The General Manager reports to the Board and is responsible for directing District operations. The General Manager's job is to plan, organize, direct, and review the overall activities and operations of the District; represent the District locally, regionally and at the state and federal levels; and to ensure the best interests of the District are met. Central employs two full-time water masters and a full-time bookkeeper.

Central is currently in discussion with the Stockton East Water District for a possible merger. Central would merge into the existing Stockton East Water District. The existing SEWD management would operate and staff the merged district. One or two of Central's personnel would be added to the merged district staff however, no existing Central management staff would be transferred. The merged district would temporarily have a nine member Board. After four years, the Board would reduce to a seven member Board. It is not anticipated that water delivery and operations of the merged district

would not differ from the current operations. A merger may be beneficial to address current and expected water supply issues in the future. However, due to the differences in operational management higher expenses for Central may occur. Significant issues remain as to the determination of water rates and the requirements of SGMA.

CHAPTER 4: SOCIO-ECONOMICS

This Chapter provides information on the existing population, future growth projections, land use, and disadvantaged communities for Central.

4.1: GROWTH AND POPULATION

Existing Population

This section describes the existing population and future growth projections for Central. Central covers an area of approximately 73,000 acres in San Joaquin County. The land uses within Central are agricultural and as a result there is not a large population in the district. Approximately 6,500 people reside within 114 square miles, with an average population of 667 people per square mile.

Projected Growth and Development

Population growth for water conservation districts is a less important factor than for other agencies or for cities because water conservation districts primarily provide water to agricultural users and implement programs to facilitate the recharge of the groundwater table. Population growth can actually decrease the need for service. District boundaries are reduced as the various cities within the County expand through the annexation process. The conversion of grazing land to crops (i.e., orchards, vineyards, etc.) can increase the demand for increased water unrelated to population growth. Therefore it is difficult to gauge increased need for services through the use of population projections alone. However, the statistics are important to understand the magnitude of urban growth within the County and the pressure that will be placed on the conversion of agricultural land to urban uses.

Population growth in the region is dependent upon land use, General Plan designations, and zoning on properties. Water Conservation districts do not have any decision-making authority over land use as that responsibility lies with San Joaquin County and the City of Stockton. For San Joaquin County, the California Economic Forecast modeled data for use by the California Department of Transportation (Caltrans) projected population growth to 2035. Table 4-3 shows projected population growth for San Joaquin County from 2015 to 2035.

Table 4-3: Projected Population Growth for San Joaquin County

Population	2018	2020	2025	2030	2035	2040	2045
	760,173	782,662	838,755	894,330	947,019	995,469	1,039,105

Projects Prepared by Demographic Research Unit, California Department of Finance, January 2018 Data Source: California Department of Finance, Demographic Research Unit, January 2018 P1. Total Population by County, Projections (2010-2060) 1-year increments. Available on-line at: <http://www.dof.ca.gov/Forecasting/Demographics/Projections/>

San Joaquin County is anticipated to have a steady increase in population from 2018 to 2045; with roughly a 37 percent increase over the 27-year time period, with a high projected change in growth from 2015 to 2045.

Projecting future population growth for small districts such as Central is calculated at 0.733 percent average annual growth rate based on the average growth rate for unincorporated San Joaquin County (San Joaquin Council of Governments, 2016).

Table 4-4 Estimated Population* Projections 2012-2042

	2010	2020	2030	2040
Central	6,000	6,500	8,600	9,634

*Population is an estimate as of 2010 Census blocks do not perfectly align with the irrigation district boundaries

However, this growth will not necessarily result in an increase in water demand, as the majority of the land within the District is currently developed either for agricultural or urban use. Because the water demand for agricultural and urban uses are essentially equal, overall, population growth is not as important as compared to the District's ability to secure long term water supplies.

4.2: PRESENT AND PLANNED LAND USES

Existing Land Use

Central does not have the legal authority to make land use decisions. Most land use decisions, initiated by private property owners, are secured via land use permits from the City of Stockton and San Joaquin County. To some extent, population growth of Central is dependent upon land use, General Plan designations, and zoning of properties. This section summarizes existing land-uses, as the CKH Act requires LAFCo to make a specific determination regarding population and land use.

The majority of land within Central is agricultural. Planned land uses will result in increased urbanization in the nearby cities and will result in less demand for surface agricultural water. The need to improve and protect the groundwater basin will still be an important mission for the District.

Central has a diversity of farms and ranches including organic farms and traditional farms. Major crops grown include tomatoes, sweet corn, almonds, cherries, and walnuts. Other land uses include single-family suburban homes, rural residential, minor commercial, and open space. Urban and suburban uses are centered in the unincorporated communities of Farmington and Collegeville. Water infrastructure associated with Central are also present in the service area. Roads and highways are a small percentage of the overall land-use within the District. Land outside and adjacent to Central is characterized by rural agriculture.

San Joaquin County General Plan, Zoning and Policies

The San Joaquin County General Plan Update Policy Document was adopted in December 2016. A Housing Element for the County was adopted in January of 2010. The San Joaquin General Plan Update identifies new goals for land use, including the following: “direct most urban development towards cities and urban and rural communities within the unincorporated county to promote economic development, while preserving agricultural lands and protecting open space resources” (Goal LU-1) (SJ County, 2016). In order to achieve this goal, the County proposes to maintain clear boundaries among cities and unincorporated communities, encourage infill development, and provide land for urban development to accommodate projected population and employment growth.

Development densities for the County are identified within its Zoning regulations. All of the properties located within Central are identified as agricultural lands of local importance and as prime agricultural land.

Regional Transportation Plans & Sustainable Community Strategies

Senate Bill 215 was approved by California legislature in 2009 and chaptered in 2010 as part of Government Code Section 56668, relating to local government. This bill requires LAFCOs to consider regional transportation plans and sustainable community strategies developed pursuant to SB 375 before making boundary decisions. This section provides a summary of the Regional Transportation Plans (RTP) and associated Sustainable Communities Strategies for the county within the Central service area.

San Joaquin County

The San Joaquin Council of Governments (SJCOG) developed the RTP in 2011. The Plan acts as the region's comprehensive long-range transportation planning document through the year 2035, and the RTP is designed to meet air quality budgets set from the State Implementation Plan. As part of the RTP, a reduction in water use in the SJC region is called for through the increased use of agricultural water use efficiencies. These include reducing evapotranspiration, conversion of irrigation systems, efficiencies aimed at increased reuse of recoverable flows, and support for other supplier and on-farm technological improvements to reduce irrecoverable loss of applied water.

Future Development Potential

Within the Central areas, future development is planned through the use of the General Plan for the City of Stockton and San Joaquin County. The San Joaquin General Plan (SJGP) Update designates land located within Central as mainly general agriculture and rural service (SJGP, 2016). Population for the County is projected to grow at 2.5 percent annually, with growth mostly concentrated in the six planning areas identified as Lodi, Stockton, Lathrop, Manteca, Tracy, and Mountain House. A small portion of the growth is expected to occur within the County's existing unincorporated communities. Much of the unincorporated areas of the County within the Central service areas are slated to remain general agriculture, with some general industrial, and public designations in areas outside of the urban reserve line for the City of Stockton (SJGP, 2016). Some portions, but very little, of the Central service area are located within the City of Stockton.

4.3: DISADVANTAGED UNINCORPORATED COMMUNITIES

LAFCo is required to consider the provision of public services to disadvantaged unincorporated communities (DUCs), including the location and characteristics of any such communities when a MSR addresses an agency that provides water or fire services. The Senate Bill 244 created is intended to ensure that the needs of these unincorporated communities are met when considering service extensions and/or annexations, in particular, water or fire services.

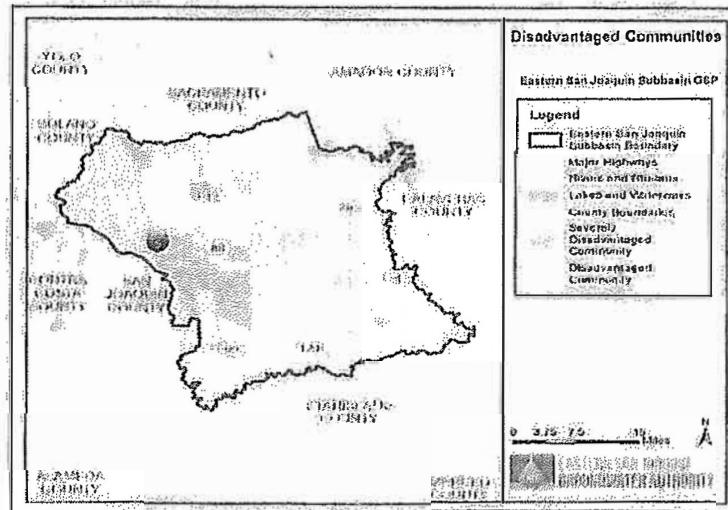
Information from the 2010 Census indicates Disadvantaged Community areas are located in roughly 59% of San Joaquin County. This includes all of Thornton and Walnut Grove; the City of Lodi; the City of Stockton; throughout eastern Lathrop; south-eastern areas in Escalon; south-eastern areas in Ripon; central Manteca; and northern parts of Tracy. **Figure 5** identifies all census tracts below 80% of the State median household income in unincorporated areas within and adjacent to Central boundaries. The legislation referenced above, is directed to needs and deficiencies related to sewer,

municipal and industrial water, and structural fire protection. Central provides none of these services nor does it influence public policy related to the provision of these services. The MSR will have no impact on the affected communities within the District or in San Joaquin County at large.

Additionally, San Joaquin LAFCo's policies requires written determinations with respect to the location and characteristics of any DUCs within or contiguous to the Sphere of Influence. In 2018 the statewide annual median household income (MHI) was \$75,277. This yields a DUC threshold MHI of less than \$60,222 (80 percent of the statewide MHI). Relevant data were reviewed for the Central service area. To understand the geographic distribution of disadvantaged communities within Central's boundaries, five sources of data were considered: LAFCo data; California Department of Water Resources, on-line mapping tool; U.S. Census; San Joaquin County Housing Assessment and other County data; and ABAG and MTC Equity Analysis.

The DUCs within the vicinity of San Joaquin County are shown in **Figure 5**, none of which receive services directly from the District.

Figure 5:
Disadvantaged Communities



CHAPTER 5: SERVICES AND INFRASTRUCTURE

5.1: DISTRICT SERVICES

Service Overview

This Chapter describes Central's public services and infrastructure. Central consists of approximately 73,000 acres of agricultural land in San Joaquin County and provides the delivery and sale of raw untreated water for agricultural irrigation purposes. Water conservation districts and irrigation districts provide an array of services. However, a common objective is the preservation of the groundwater basin. The provision of surface water to agricultural users helps minimize

groundwater pumping. Likewise, injection of water directly into the groundwater basin or through infiltration also improves the groundwater basin and provides a source of water in dry years. An evaluation of infrastructure needs and deficiencies must take into consideration both facilities which transport water but also accessibility to a dependable water supply. Prior to this assessment it is important to understand the overall needs of the County.

Central is responsible for providing reliable and affordable water services to agricultural, residential, and business customers within its boundaries. As part of this responsibility, Central aims to maximize the beneficial use of water. The District recognizes its obligation to protect customers and ratepayers from any threats to water supply reliability and affordability. Additionally, Central has a responsibility to comply with state and federal regulations including environmental protections and compliance with drought risk reduction strategies.

Service Areas

Central currently consists of one service area, approximately 73,000 acres in size.

Water Supply

In 1983, Central entered into a contract with USBR for water service from the New Melones Project on the Stanislaus River. The contract amount calls for 49,000 a/f of firm supply and up to an additional 31,000 a/f on an interim basis. The terms of the contract establish a priority for water deliveries over an interim contract executed between USBR and Stockton East.

In 1993, Central constructed an internal distribution system at a cost in excess of \$7 million dollars. Facilities included check structures and conveyance channels for the delivery of water to Central areas. Natural stream beds were utilized, creating possible delivery to a significant portion of the District. Use of natural streambeds promotes percolation into the groundwater aquifer allowing for significant recharge of the basin. However, such percolation reduces the acre feet available for sale to district customers resulting in higher per acre foot rates to cover costs. Since construction of the internal distribution systems by Central, individual farmers have been encouraged to install and operate irrigation facilities for diversion of available surface water. Central also sponsors a surface water incentive program to increase diversion of available surface water. The incentive program has been extremely successful in converting groundwater users to surface water.

Central has historically used a portion of Stockton East's New Melones Conveyance System to convey its New Melones water pursuant to two wheeling agreements entered into between the Districts in 1990 and 1991. The contracts and the cost to wheel water have been the subject of litigation.

Effective January 1, 2009, Stockton East terminated the two wheeling agreements due to alleged non-payment. In response, Central demanded that Stockton East wheel its water pursuant to Water Code §1810. Stockton East established a wheeling rate of approximately \$40.00 per acre foot. Central refused to pay the established rate, and sued Stockton East to require conveyance of Central water and to establish a wheeling rate pursuant to California Water Code Section 1810. The City of Stockton and California Water Service company intervened in the action. The trial court found that the rate charged by Stockton East was excessive. This litigation has been completed. Thereafter, the District agreed to a wheeling rate of \$8.00 per acre foot.

Since 1995 Central has purchased and made available for sale to district landowners available surface water. Due to Central's efforts, District landowner demands for surface water have increased from approximately 10,000 a/f to in excess of 40,000 a/f per year. Diversion of such quantities of surface water has resulted in raising the groundwater aquifer an average of over 12 feet in the area underlying the District.

Because of topography, not all areas are served within the District. The District's operational plan is one of supplemental surface water supply and it is not intended to serve all areas within the District. Nevertheless, the benefits of supplemental surface water apply to all areas within the District as it allows re-charging of the common groundwater aquifer available to all District customers.

SGMA-GSA

In 2016, Central adopted a Resolution to become Groundwater Sustainability Agencies (GSA) under the requirements of the Sustainable Groundwater Management Act (SGMA). In 2017, Central entered into a Joint Powers Agreement forming the Eastern San Joaquin Groundwater Authority ("Authority") to work with other GSAs to prepare a Groundwater Sustainability Plan for the basin under SGMA. The Eastern San Joaquin Subbasin GSP has been prepared and has now been accepted by the Department of Water Resources for the State of California. The GSP outlines the need to reduce overdraft conditions and has identified 23 projects for potential development to offset reliance on groundwater to meet current and future water demands. Although current analysis indicates that groundwater pumping offsets and/or recharge on the order of 78,000 acre-feet per year (AF/year) may be required to achieve sustainability, additional efforts are needed to confirm the level of pumping reduction and/or recharge required to achieve sustainability. These efforts include collecting additional data and a review of the Subbasin model, along with other efforts as outlined in the GSP.

Water Conservation

Central also prepared an Agricultural Water Management Plan in 2015 and submitted the plan to the USBR, as required by the Central Valley Project Improvement Act and by the water right permits issued by the State Water Resources Control Board for the CVP rights on the Stanislaus River. Among other information, the Water Management Plan lists the agricultural best management practices implemented by Central to ensure water provided to customers is used efficiently. In the plan, Central documented that it:

- Installed meters to measure water usage at agricultural turnouts to an accuracy of approximately 2%;
- Provided irrigation evaluations free to its customers since water deliveries began in 1994. These evaluations include pump efficiency tests, power use evaluations, and pumping level analysis. These evaluations were provided through a District Consultant and coordinated with year-end water usage calculations;
- Central's surface water pricing structure is based on the quantity of water delivered. In most cases, the quantity of water delivered is measured using water meters; and
- Central currently offers a Surface Water Incentive Program. This program encourages the conversion to surface from groundwater through water pricing. The owner of the pumping facility is charged a reduced rate based upon a percentage of the capital cost of the new facility.

Other Water Management Activities

In 2005, Central adopted the Eastern San Joaquin Groundwater Basin Groundwater Management Plan prepared by the Northeastern San Joaquin County Groundwater Banking Authority in compliance with AB 3030 and SB 1938 and pursuant to California Water Code Section 10750 et seq., replacing the 1995 Plan. The comprehensive plan developed by those agencies that overlay the local groundwater basin reviews, enhances, assesses and coordinates existing groundwater management policies, and programs in Eastern San Joaquin County, and develops new policies and programs to ensure the long-term sustainability of groundwater resources in Eastern San Joaquin County.

Water Demand

Generally, the demand for water by Central customers can be influenced by several factors including:

- agricultural conditions, such as the types of crops grown on agricultural land.

- climatic factors such as changes to spring snowmelt, prolonged drought, air temperatures, and evapotranspiration rates,
- water use efficiency and conservation,

Central aims for efficient operation of the available water resources given its location in a semi-arid region with a limited amount of water available. This section describes the existing water demand and the projected future water demand for Central.

Existing Demand

Central functions as an independent District that provides for the delivery and sale of raw irrigation water, serving diverse agricultural customers. Demand for water from the Central system originates within the District(s) boundary area. Historically, farmers within Central grew a wide range of annual and perennial crops. In recent years, significant planting of permanent crops to walnuts, almonds, and vines has occurred. Non-permanent crops remain within the District consisting of corn, beans, tomato, alfalfa, and other grains. The crop type changes from year to year because farmers intentionally rotate planting choices based on market demands, soil health, water availability, and other factors.

The majority of agricultural water demand is met from landowner pumping from the groundwater basin. However, effective precipitation supplies a portion of each year's demand. From 1995 through 2018, Central provided an average of 33,000 acre feet annually. Total agricultural demand within Central is shown in Table 5-1.

Table 5-1. Current Agricultural Water Demand in Central

YEAR	SURFACE WATER DEMAND (ACRE FT)	GROUNDWATER DEMAND (ACRE FT)	TOTAL
2017	33,000	127,000	160,000
2018	5,000 *	155,000	160,000
2019	19,300**	120,700**	140,000
2020	26,797	133,203	160,000
2021	31,080	128,920	160,000
2022	--- ***	160,000	160,000
2023	38,759	116,241	160,000

*Due to increased wheeling costs, Central delivered significantly less water than on average.

**2019 demand was down due wet winter/spring conditions and increased wheeling costs.

*** 2022 was a drought year

Future Water Demand

Future demand within Central's service area is not expected to change significantly. While that portion of Central located within the City of Stockton's sphere of influence is expected to change from agricultural to urban within the planning horizon, the demand for each type of use is largely equivalent.

Water Resource Planning

Central actively engages in water resource planning efforts at the local, regional, state, and federal levels in order to increase the districts' effectiveness in community outreach, grant and fiscal development, protection of water sources, and sharing resources with sister districts to mutual benefit. This section summarizes the following regional and statewide planning efforts:

- Groundwater Sustainability
- San Joaquin County IRWMP

Groundwater Sustainability

Central serves as a groundwater sustainability agencies (GSA) pursuant to the Sustainable Groundwater Management Act, Water Code section 10720 et. seq., for a portion of the Eastern San Joaquin Subbasin within its territory. The District has entered into an MOU with other public agencies to form the Eastern San Joaquin County Groundwater Banking Authority (Authority). The mission of the Authority is to insure initial and ongoing SGMA compliance within the Basin. Its purpose is to:

- Provide coordination among its 17 Groundwater Sustainability Agency members
- Carry out SGMA purposes in a cooperative manner
- Develop, adopt and implement a legally sufficient Groundwater Sustainability Plan that covers portions of the subbasin within the jurisdictional boundaries
- Satisfy SGMA's requirements for coordination among the Groundwater Sustainability Agencies

The Authority is comprised of 17 GSAs covering the entire Eastern San Joaquin Subbasin (designated by DWR as being critically overdrafted) and covers eastern San Joaquin County and portions of western Calaveras and northeastern Stanislaus counties. In August of 2019 the Authority

released the Eastern San Joaquin Draft Groundwater Sustainability Plan (GSP) for public comment. The plan was approved in 2023.

San Joaquin IRWMP

The Districts is a member of the Eastern San Joaquin County Groundwater Basin Authority. This entity adopted an Integrated Regional Water Management Plan (IRWMP) in 2007 for the Eastern San Joaquin Region, which was updated in 2014. There has been significant progress toward implementing the goal of improving the sustainability and reliability of water supplies in the region, but the process is ongoing and as yet incomplete. The 2014 Plan update complies with the most recent DWR guidelines and adds additional considerations including examination of climate change impacts, inter-regional cooperation, and expanded analysis of storm water and floodwater management, and can be found at <http://www.gbawater.org/IRWMP/2014-IRWMP-Update>.

5.2: INFRASTRUCTURE AND PUBLIC FACILITIES

The CKH Act requires LAFCo to make a determination about the present and planned capacity of public facilities for districts it reviews. This section analyzes the present and planned capacity of public facilities owned or operated by Central. A description of existing facilities and a description of planned improvements to those facilities is provided in the following paragraphs. Water Service Facilities. Central water facilities include intake/collection facilities and a distribution system consisting of pump stations, pipelines and open ditch canals. Central does not treat water for municipal purposes and therefore does not own or operate a water treatment plant. All Central water is classified as raw untreated water.

Stanislaus River Water Supply

To obtain water from New Melones Dam, water is released to the Stanislaus River for redirection by Stockton East at an existing intake at Goodwin Dam and conveyed to Farmington via the existing Goodwin Tunnel, Upper Farmington Canal (UFC), and the natural channels of Shirley Creek, Hood's Creek and Rock Creek into Farmington Dam. Farmington Dam is an existing flood control-only facility operated by the USACE, which regulates flood flows from Rock Creek and Littlejohns Creek.

Flood flows and pass-through of imported Stanislaus River water are conducted through the Farmington Dam to Rock Creek into Stockton East's existing Rock Creek Diversion Structure located immediately downstream of the main dam outlet. Water flows, which includes both natural flow and

Central's Stanislaus River Supply, passes through the Rock Creek Diversion Structure and into the natural channel of Rock Creek below Farmington Dam. Stockton East's Stanislaus River supply is diverted at the diversion structure and is delivered to the SEWD service area.

The Lower Farmington Canal (LFC) is an existing unlined channel extending from the Rock Creek Diversion Structure approximately 9.7 miles to the head of Stockton East's existing Peters Pipeline near the community of Peters. The LFC is operated to convey water imported from the Stanislaus River to Stockton East for agricultural and municipal purposes. Existing outlets from the LFC are presently used to release Central's water into Duck Creek and South Fork Potter Creek to serve irrigation demands along these waterways, and into the Peters Pipeline for conveyance to the WTP. Potter Creek Outlet #3 is an existing turnout from the Peters Pipeline that presently allows irrigation water releases from the Pipeline into Potter Creek for rediversion by growers downstream along Potter Creek.

The majority of Central's supply is diverted from Rock Creek into Little John's Creek for delivery into North and South Fork of Little John's Creek and Mariposa Drain.

Central Water Facilities

Central utilizes unlined natural watercourses for conveyance of water supplies in San Joaquin County. The District owns and operates various check dam structures, pumps, and diversion structures for delivery of surface water.

Equipment: Central owns and/or leases construction equipment, including backhoes, dump trucks, bucket trucks, excavators etc.

Conveyance System: To obtain water from the Stanislaus River, Central uses the upper portion of New Melones Conveyance system described above.

The majority of Central's imported water is diverted through the Rock Creek Diversion Structure and into the natural channel of Rock Creek below Farmington Dam for conveyance into North and South Fork Littlejohns Creek. Some of Central's imported water remains in the Stockton East Farmington Canal for distribution along Duck Creek. The water diverted through the rock creek diversion structure is pumped out of Littlejohn's Creek by four 100 horse power pumps for diversion and conveyance to Sorensen Drain, Temple Creek, and Mariposa Drain. Along these natural streambed channels, are district and landowner constructed diversion facilities for pumping of irrigation water onto agricultural lands.

5.3 INFRASTRUCTURE NEEDS AND FACILITIES

This section addresses: "Present and planned capacity of public facilities and adequacy of public services, including *infrastructure needs or deficiencies*". Infrastructure needs and deficiencies can be evaluated in terms of supply, capacity, condition of facilities, and service quality with correlations to operational, capital improvement and finance plans.

The goal of the District is to increase distribution of surface water. Central currently has sufficient infrastructure to significantly increase surface water diversions; the improvements needed are additional private diversion facilities installed by landowners to facilitate diversions from natural watercourses. Central has plans in place to assist private landowners with such diversions.

Capital Improvements to Existing Infrastructure

Central's capital infrastructure is relatively new, constructed since 1990, and long-term operation and maintenance and capital improvements have not been identified.

Challenges in Provision of Service and Infrastructure

Similar to other irrigation districts, Central faces challenges regarding the provision of public services. Challenges include aligning water conservation with naturally occurring droughts and other water supply limitations, addressing anticipated future regulations dealing with water quality, and supporting various regional water resource planning efforts.

The Eastern San Joaquin Groundwater Subbasin Groundwater Sustainability Plan (November 2019) ("GSP") concludes that at projected groundwater pumping levels, the long-term groundwater pumping offset and/or recharge required for the Subbasin to achieve sustainability is approximately 78,000 AF/year. Central currently has significant surplus surface water supplies available in many years which can be used to reach sustainability. This water can be used to recharge the groundwater basin through a combination of in-lieu and direct groundwater recharge within Central.

Central has evaluated the potential methods of recharge, and has determined that the most cost-effective method is for landowners currently adjacent to existing distribution systems to take surface water for irrigation in-lieu of pumping groundwater through installation of river pumps and other diversion mechanisms. This approach requires the least amount of infrastructure cost. The second approach is to utilize surface water supplies for direct recharge at available locations throughout the District, either at dedicated recharge sights or opportunistically at available sites when not planted to crops.

Existing System and Expansion

Distribution of water from New Melones is made exclusively through existing natural watercourses for distribution of agricultural surface water within its boundaries. Figure 6 illustrates the parcels within Central that can be served with surface water through existing distribution systems. Figure 6 identifies 30,400 total acres. Assuming 85% of the land is farmed, and 15% consists of farm roads, homes, shops and other nonirrigable land, the estimated irrigable land equals 25,840 acres. Calculating this irrigated acreage times Central's estimated irrigation duty of 2.8 acre feet per acre, the potential surface water usage is 72,350 acre feet annually.

Planned Projects

District Surface Water Implementation Expansion/ District Capital Improvement Program

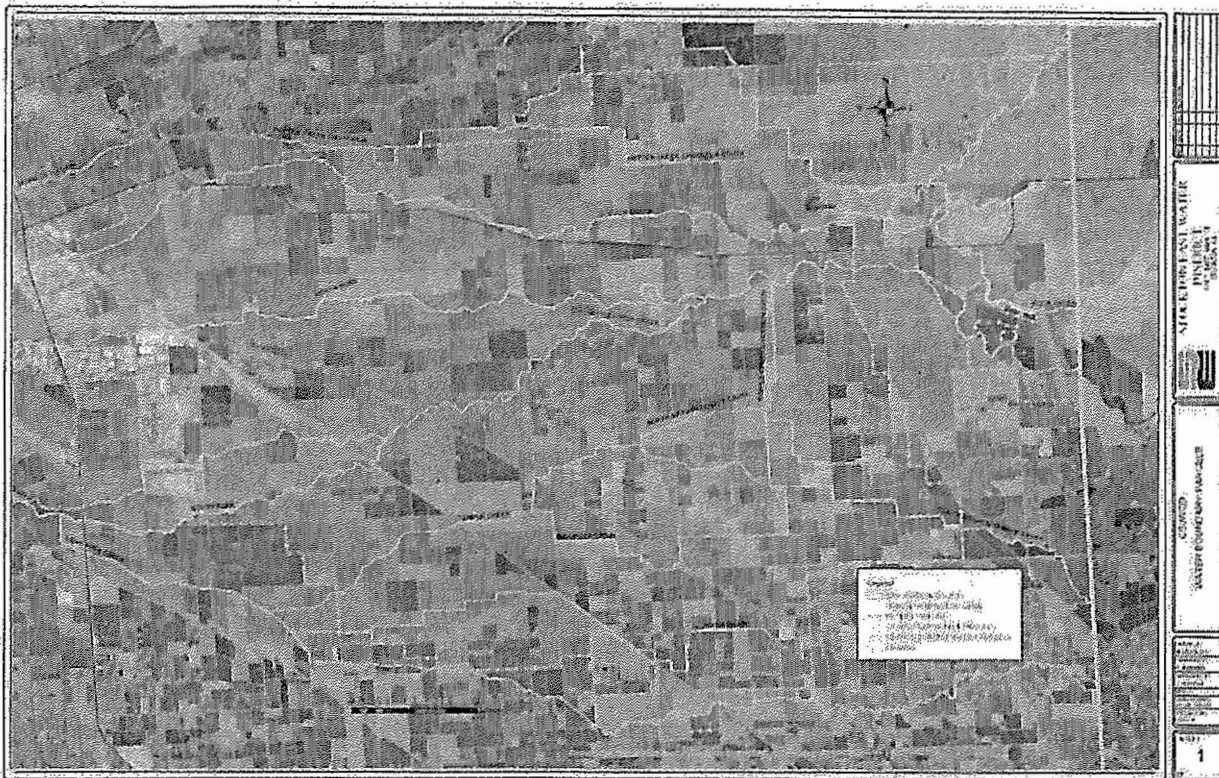
The District will incentivize landowners adjacent to surface water conveyance systems (rivers or pipelines) to utilize surface water as part of SGMA implementation. This would increase surface water usage by an estimated 28,000 AF/year with in-lieu groundwater recharge benefits. Currently, there are about 10,000 acres irrigated with groundwater that could be converted to surface water.

The District currently assist water users in financing improvements to alter land from groundwater to surface water irrigation. The water user applies for water credits based upon new surface water acres. The user is responsible for constructing a diversion facility. As water is diverted the District reduces the water charge until credit is used or seven years since implementation have elapsed. The Capital Improvement Program has been on-going since 1996.

BNSF Railway Company Intermodal Facility Recharge Pond

The BNSF Railway Company Intermodal Facility Recharge Pond Project is to construct a surface water diversion turn-out on the Littlejohns Creek, between Kaiser Road and Jack Tone Road, to recharge surface water through an existing BNSF Railway Company drainage pond. The proposed project is estimated to recharge 1,000 AF of groundwater annually.

Figure 6



5.4: FINANCING

The estimated cost of the projects described above is estimated to be \$5,000,000.00 in capital expenditures with approximately \$75,000.00 in annual operations and maintenance costs. These costs will be spread over 15 to 20 years. The District will pursue grant funding for some of capital costs. Ongoing costs will be covered through increased groundwater and surface charges.

It is very difficult at this time to determine how much of the estimated costs will be borne by the District for several reasons. First, the Authority is still in the process of determining whether meeting the sustainability goal set forth in the GSP will be funded on a basin wide level or by individual GSAs. Second, it is impossible to determine at this time how much grant funding will be available from the state. Whatever costs will have to be borne by the District could be financing through increased groundwater and surface water rates, per acre assessments, or other mechanisms authorized under SGMA.

5.5: CONCLUSION

Central provides raw water service to its customers. The District has sufficient water supply to continue services to its existing customers, and surplus supplies for ground water recharge or in-lieu recharge projects.

The District uses a conjunctive use approach to water supply, with the use of surface water supplies being encouraged in normal, above-normal and wet years types. However, during drought or low precipitation years, the District may receive less than its full allocation of water and shortfalls in water supply during these drier years will be overcome through the use of groundwater stored through recharge efforts.

CHAPTER 6: FINANCIAL ABILITY TO PROVIDE SERVICES

LAFCo is required to make a determination regarding the financial ability of Central to provide public services. This Chapter provides an overview of financial health and provides a context for the financial determinations. The most recent audited Comprehensive Annual Financial Report (CAFR) from the district is the primary source of information for this Chapter. For comparative purposes, financial information for multiple years is provided.

6.1: FINANCIAL POLICIES & TRANSPARENCY

Central's current budget totals approximately \$3,000,000.00 dollars. The sources of revenue for Central are water charges, assessments, and property taxes. Central establishes an annual groundwater extraction fee per acre foot and sets a surface water rate for imported water. In order to overcome significant loss of property tax revenue as a result of Proposition 13, the District requested legislation to allow an annual acre assessment. This was passed in 1983 and the District has made an annual acre assessment for each succeeding year, currently set at a maximum amount of \$2.50 per acre. Central receives less than \$10,000.00 per year from property tax revenue.

Central prepares an annual budget each fiscal year. The fiscal year begins on July 1 and ends on June 30. At the end of each fiscal year, the District prepares a CAFR which includes an audited review prepared by a CPA. The most recent independent audit, dated February 2, 2023, found that Central's financial statements fairly present the financial position of the District and that Central is in conformity with accounting principles generally accepted in the United States of America, as well as prescribed by the California State Controller's Office. The CAFR contains a statement of net position, statement of revenues and expenses, and changes in net position, statement of cash flows, and notes to basic financial statements. Additionally, the District's financial statements are prepared in accordance

with generally accepted accounting principles. The District uses the accrual basis of accounting; revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Budgets are adopted in public meetings on an annual basis by the District Board of Directors before the end of the fiscal year. Annual budgets are available upon request. The annual financial statement (CAFR) for the past five years, as well as District salary information, is available to the public via the State Controller's Office.

Central is committed to transparency and has recently made upgrades to its website and posted documents. District staff continues to work on the website improvements to meet its transparency goals.

6.2: REVENUES

Central revenues are from numerous sources, including property taxes and water sales. In fiscal year 2022-2023, Central generated over \$3 million in revenues shown in Table 6.1.

Table 6.1 Central Sources of Revenue 2022-2023 Fiscal Year

Category	Revenue
Property Tax	\$60,000.00
Annual Acre Assessment	\$175,000.00
Groundwater Charge	\$1,693,333.00
Surface Water Sales	\$1,100,000.00
Interest Income	\$ 25,000.00
TOTAL	\$3,053,333.00

Central Charges for Services

Groundwater Extraction Fees represent the primary source of income for Central. The Central Board of Directors establishes various water rates and charges annually, the current of which are shown in Table 6-2. Central's rate for surface water of \$57.50 per acre foot for 2023.

Table 6-2: Central 2021 Rates

Fixed Charges			
Source	Charge (\$/acre foot or unit)	Units Billed during year (acre-feet) (projected)	\$ Collected (\$ times units) (projected)
Annual Acre Assessment	\$2.50	70,000 acres	\$175,000.00
Groundwater Assessment	\$12.00	141,111 acre feet	\$1,693,333.00

Surface Water Sales	\$57.50	20,000 acre feet	\$1,150,000.00
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6.3: EXPENSES

In any given year Central's major expenses are water delivery costs, operation and maintenance costs, cost of water, state permit fees, utilities, and wheeling fees. In recent years, additional costs stemming from the GSP have increased and are expected to continue to increase. Table 6-3 reflects these expenses.

Category	Revenue
Water Cost and Wheeling	\$1,890,500.00
State Board Assessment	\$130,000.00
Operation and Maintenance	\$100,000.00
GSA- GSP	\$60,000.00
Utilities	\$250,000.00
Debt Service	\$450,000.00
TOTAL	\$2,880,500.00

6.4: RESERVES

In California, many special districts have accumulated reserves. There are no standards guiding the size and use of reserve funds. Reserve and investment policies and practices could be improved through the establishment of guidelines and enhanced scrutiny. The amount set aside in reserve funds can vary from year to year, depending on the needs of the districts. As of March 31, 2024, Central had Board designated reserves in the amount of \$2,700,000.00.

6.5: OUTSTANDING DEBTS AND LIABILITIES

In 1993, Central issued certificates of participation for construction of an internal distribution system. These bonds were paid off in January 2017. There are no other projects that are subject to District debt service.

Central experienced financial difficulty as a result of significantly increased costs for the purchase of surface water from the USBR. As a result the District accrued a water charge delinquency with the USBR. This delinquency was paid off in full by a loan from the Bank of Stockton in December 2016. Payment for said loan to the Bank of Stockton is on -going, and Central is current in its obligation with a balance remaining of approximately \$1,100,000.00.

The litigation of wheeling rates claimed by Stockton East Water District and past due wheeling

charges claimed by the City of Stockton and California Water Service Company has been settled but the cases not dismissed. Potential litigation for such alleged debt is a possibility but is not expected to occur.

In addition, Central has debt to the United States Bureau of Reclamation for the USBR Operation and Maintenance Deficit for the Central Valley Project. Central's current deficit is \$1,082,813.00 and is being paid upon as water is purchased.

6.6: OPPORTUNITIES FOR SHARED FACILITIES

Current and Future Potential Shared Facilities

As described in Chapter 5, Central currently utilizes Stockton East Water District's New Melones conveyance facilities to wheel surface water into its service area. Stockton East and Central entered into two wheeling agreements in 1990 and 1991 by which Stockton East agreed to wheel Central's contractual water from New Melones Reservoir through a portion of the New Melones Conveyance System. Stockton East terminated the wheeling agreements effective, January 1, 2009. Thereafter, Central demanded the wheeling of its water pursuant to Water Code §1810. Stockton East continues to wheel water through its facilities for Central as required by §1810. Litigation over Central's payment for Stockton East's wheeling services is ongoing. However, Stockton East continues to wheel water to Central pursuant to the terms and conditions of a Memorandum of Understanding dated March 5, 2019.

There are several joint powers agreements between Stockton East and Central, and others. The Eastern Water Alliance was formed in 2003 and includes North San Joaquin, Central, and Stockton East. The purpose of the Alliance is to provide a vehicle for its members to cooperate in the planning, financing, operation, and implementation of projects for the long term recovery, stabilization, and enhancement of the ESJ Basin and implementation of a groundwater management plan for the ESJ Basin. The goal and intent of the Alliance is one of voluntary cooperation among its members in order to improve the condition of the ESJ Basin for the collective benefit of all.

Central also belongs to the Northeast San Joaquin County GBA which was organized in 2001 to provide a consensus-based forum for local, State, and federal water interests to work cooperatively with one voice to study, investigate, plan, and develop locally supported groundwater banking and conjunctive use projects in northeastern San Joaquin County. The plan, completed in 2002, outlined specific groundwater recharge options into a conjunctive water management system with the capability of recharging up to 300,000 af/yr. Projects in the plan included the Freeport Interconnect Project, the

Farmington Groundwater Recharge and Seasonal Habitat Project, the City of Stockton Delta Diversion Project, and direct groundwater recharge through well injection and seasonal field flooding. Potential new water supplies may come from surplus flows on the American River, Mokelumne River, Calaveras River, Little Johns Creek, Stanislaus River, and the Delta. The Northeastern San Joaquin County GBA is in current discussions with EBMUD on the development of the San Joaquin County Freeport Element which is a proposed interconnecting pipeline project which could take advantage of American River Water.

In 2016, Central adopted a Resolution to become Groundwater Sustainability Agency (GSA) under the requirements of the Sustainable Groundwater Management Act (SGMA). In 2017, Stockton East and Central also entered into a Joint Powers Agreement forming the Authority to work with other GSAs to prepare a Groundwater Sustainability Plan for the basin under SGMA.

Cost Avoidance

This section highlights cost avoidance practices, given necessary service requirements and expectations. Ideally, proposed methods to reduce costs would not adversely affect service levels. In general, irrigation systems have a fixed cost associated with infrastructure, operations and maintenance and has a variable cost related to supply. Given these constraints, districts pursue an array of cost avoidance techniques that each contributes incrementally towards keeping costs at a reasonable level. Specifically, Central carefully utilizes its budgeting processes to serve as one means to avoid unnecessary costs. Also, the district participates in several joint powers authorities as listed above, and cooperation with these entities tends to reduce costs.

CHAPTER 7: MSR DETERMINATIONS

Based on the information included in this report, the following written determinations make statements involving the service factors the Commission must consider as part of a municipal service review. The Commission's final MSR determinations will be part of a Resolution which the Commission formally adopts during a public meeting.

Growth and Population Projections

Central provides raw water service to approximately 75 agricultural customers in San Joaquin County. The growth projections of the District shows that its population will increase largely in conformance with the estimated annual increases in population for San Joaquin County. Provision of services to agricultural users may actually decrease as a result of urban growth. However, this growth

will not necessarily result in an increase in water demand, as the majority of the land within the Districts is currently developed either for agricultural or urban use. Because the water demand for agricultural and urban uses are essentially equal, overall, population growth is not as important as compared to the Districts' ability to secure long term water supplies.

Disadvantaged Unincorporated Communities

While the District includes DUCs, Central does not provide municipal services to any DUCs.

Present and Planned Capacity of Public Facilities

Central currently has 73,000 acres of irrigated agricultural property within its boundaries, but provides surface water supplies to approximately 15,000 of those acres. Using only currently constructed facilities, surface water could be delivered to additional acres of irrigated agricultural property, and the district has sufficient surface water available in most years to provide this acreage with surface water. In order to provide surface water to all irrigated acres within its boundaries, Central would need to construct additional distribution facilities, and obtain additional surface water supplies. However, information developed in the Eastern San Joaquin Groundwater Sustainability Plan indicates that such expansion may not be required, as the entire basin could reach sustainability with an estimated 73,000 acre feet of additional surface water.

The facilities and infrastructure on which the District relies are relatively new however the District must repair or replace infrastructure as necessary. Generally, new development occurring within the District should not result in an increase in the demand for water services or the need for additional infrastructure, because the majority of the property in the District is currently developed for irrigated agriculture.

Similar to other water districts, Central faces challenges regarding the provision of public services. Challenges include aligning water conservation with natural occurring droughts and other water supply limitations, addressing anticipated future regulations dealing with water quality, and supporting various regional water resource planning efforts.

The Eastern San Joaquin Groundwater Basin is overdrafted. Additional surface water sources of approximately 73,000 acre feet are estimated to achieve sustainability of the Basin. The Eastern San Joaquin Groundwater Sustainability Plan provides suggested projects for reaching that goal, with several located within the boundaries of the Districts.

Financial Ability of Agency to Provide Services

Central's financial information includes an annual budget adopted during a publicly noticed meeting by the Board of Directors. Central's accounting policies are clearly listed within its Independent Auditor's Report. Central's salary information is accessible via the State Controller's Office. Central collects property taxes through San Joaquin County and imposes fees and charges for water service to support its supply raw water to its customers. In five out of the last seven fiscal years, Central operated with a balanced budget.

Opportunities for Shared Facilities

Central currently shares facilities with the Stockton East Water District by conveying its water through the Stockton East Tunnel and Upper Farmington Canal.

Accountability for Community Service Needs

Central is an independent district and has a seven member elected Board of Directors. The Board of Directors holds public meetings on a regular basis. Board meetings for the District are noticed according to the Brown Act and the meetings provide an opportunity for public comment.

Central has indicated its compliance with applicable regulations and rules governing its operations. The Boards of Directors meets regularly and they are accountable to its members.

Any Other Matters Related to Service Delivery as Required by LAFCo Policy

There are no other aspects of service required to be addressed in this report by LAFCo policies that would affect delivery of services.

CHAPTER 8: SPHERE OF INFLUENCE

8.1: SPHERE OF INFLUENCE BACKGROUND INFORMATION

San Joaquin LAFCo is being asked to consider the Central SOI in conjunction with its review of the MSR (presented in Chapters 1-7 of this document). In determining the SOI for an agency, LAFCo must consider five factors [Government Code §56425(e)], relating to the present and planned land uses including agricultural and open-space lands; the present and probable need for public facilities and services; the present capacity of public facilities and adequacy of public services; the existence of any social or economic communities of interest in the area and, for agencies that provide

sewer, water or structural fire protection, the present and probable need for those services for any disadvantaged unincorporated communities within the sphere.

Standard SOI Approaches

The intent of an SOI is to identify the most appropriate areas for an agency's service area in the probable future. Currently, Central has a Growth Sphere SOI, which contains territory beyond the jurisdictional boundaries of the local agency and is an indication that the need for public services in the area has been established and the agency has the ability to effectively and efficiently extend the full spectrum of services provided by the agency.

8.2: EXISTING SPHERE OF INFLUENCE

In 2012 Central's sphere of influence was adopted by San Joaquin LAFCo (the district's principal LAFCo) as including several areas of land outside of its boundaries that could be provided services in the future. Since that time, Central has completed an annexation that expanded its boundaries to include several areas within the existing SOI, but no change to the original 2012 SOI has been made.

8.3: SPHERE OF INFLUENCE UPDATE OPTIONS

Process for SOI Updates

The District has begun the process to update its municipal service reviews as presented in Chapters 1-7 of this document. This Chapter (8) relies upon the information in the updated MSR and identifies preliminary SOI policy alternatives and recommends an SOI for Central. Following release of the combined MSR/SOI document for public review, the Commission will conduct a workshop session at a regular Commission meeting. After the workshop, the Commission will conduct a noticed public hearing to consider approval of the MSR and adoption of an Updated SOI. As part of the SOI update process, the Commission will adopt written statements of fact regarding the SOI, also known as determinations.

8.4: SOI DETERMINATIONS

In reviewing Central's MSR and SOI, LAFCo must consider the following five factors pursuant to Government Code Section 56425 of the 2000 Cortese-Knox Hertzberg Act:

- Present and planned lands uses in the area, including agricultural and open space lands

- Present and probable need for public facilities and services in the area
- Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide
- Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency
- For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Present and Planned Lands Uses

The existing land uses within the District's existing boundaries and existing SOIs are described in Chapter 3. SOI Determinations for Present and Planned Lands Uses are listed in **Table 8-1**.

Table 8-1 SOI Determination for Present and Planned Land Uses

Indicator	Determination
Present and planned land uses in the area	Because Central and LAFCo do not exercise land use authority, changes to a Sphere of Influence would not change land use intensity, modify or establish zoning or vested rights, nor will it commit or permit development to occur in an area.
Potential effects on agricultural and open-space lands	None
Are there any present or planned land uses in the area that would create the need for an expanded service area?	None
Potential environmental impacts	None

Present and Probable Need for Public Facilities and Services in the Area

LAFCo is required to make a determination as it updates the Districts' SOI, regarding the present and probable need for public facilities and services in the area. Existing public services and public facilities within the Districts' boundaries is described in Chapter 5.

Table 8-2 SOI Determination for Present and Probable Need for Public Facilities and Services

Indicator	Determination
Services Provided	• Services provided by the Districts directly include raw water for agricultural use as described in Chapter 5. • In addition to the direct services described in detail in Chapter 5, the Districts also protect water rights,

	provide advice regarding groundwater management and monitoring, and participate with other agencies in regional water planning.
Would the amended sphere expand services that could be better provided by a city or another agency?	No
Would the amended sphere represent premature inducement of growth or facilitate conversion of agriculture or open space lands?	No
Location of facilities, infrastructure and natural features	No

Present Capacity of Public Facilities and Adequacy of Public Services

LAFCo is required to make a determination as it considers the Districts' SOIs, regarding the present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide. The capacity and adequacy of public services and public facilities within the Districts' boundaries is described in Chapter 5.

Table 8-3: SOI Determinations for Capacity of Public Facilities and Adequacy of Public Services

Indicator	Determination
Present Capacity of Public Facilities and Adequacy of public services related to water services	The public facilities and services provided by Central are adequate to meet the needs of the current water users.
Effects on other agencies	None

Social or Economic Communities of Interest

LAFCo is required to make a determination as it considers the District's SOI, regarding the existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

Table 8-4: SOI Determinations for Social or Economic Communities of Interest

Indicator	Determination
The existence of any social or economic communities of interest in the area	Disadvantaged Unincorporated Communities (DUCs) were analyzed in Chapter 4 of this MSR/SOI document.
Are there particular neighborhoods or areas that should be added or excluded from your agency's sphere because those areas function as part of your community or another community socially or economically?	No
Would the amended sphere impact the identity of any existing communities; e.g. would it conflict with	No.

existing postal zones, school, library, sewer, water, census, fire, parks and recreation boundaries?	
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Disadvantaged Unincorporated Communities

Disadvantaged unincorporated communities within the Districts' existing boundaries and SOI are described in Chapter 4. SB 244 (Chapter 513, Statutes of 2011) made changes to the CKH Act related to "disadvantaged unincorporated communities," to include this factor in the analysis of an SOI and its determination. Disadvantaged unincorporated communities, or "DUCs," are inhabited territories (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the statewide annual median household income as described in more detail in Chapter 4 of this MSR/SOI document. SB 244 requires LAFCos to consider disadvantaged unincorporated communities when developing spheres of influence as follows: 1) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere; and 2) The present and planned capacity of public facilities, adequacy of public services and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated community within or contiguous to the sphere of influence. SB 244 authorizes LAFCo to assess the feasibility of proposed spheres of influence.

Table 8-5: SOI Determinations for Social or Economic Communities of Interest

Indicator	Determination
Does the subject agency provide public services related to water, sanitary sewers, or structural fire protection?	Yes, District currently provides raw water service for agricultural customers. District would continue to provide the same water services.
If yes, does the proposed sphere exclude any nearby disadvantaged unincorporated community (80% or less of the statewide median household income) that does not already have access to public water or sanitary sewer service?	No

CHAPTER 9 CONCLUSIONS AND RECOMMENDATION

This MSR presents information for LAFCo to adopt an updated Municipal Service Review. It is recommended and requested that LAFCo adopt the MSR, the conclusions therein, and move forward with the requested annexation petition.

CHAPTER 10: REFERENCES

1. City of Stockton 2015 Urban Water Management Plan, July 2016, Brown and Caldwell.
<http://www.stocktongov.com/files/uwmp.pdf>
2. City of Stockton 2008 Municipal Service Review, San Joaquin LAFCO, Mintier & Associates, July 23, 2008
<http://www.stocktongov.com/files/uwmp.pdf>
3. City of Stockton, Envision Stockton 2040 General Plan, December 4, 2018, Placeworks
http://www.stocktongov.com/files/Adopted_Plan.pdf
4. 2014 Eastern San Joaquin Integrated Regional Water Management Plan, June 5, 2014,
<http://www.gbawater.org/IRWMP/2014-IRWMP-Update>
5. Eastern San Joaquin Groundwater Authority, Eastern San Joaquin Groundwater Subbasin, Draft Groundwater Sustainability Plan, July 2019
https://woodardcurran-my.sharepoint.com/personal/lmartien_woodardcurran_com/Documents/ESJ%20GSP%20Draft%20-%20July%2010.%202019/Chapter%201%20Administrative%20Information,%20Plan%20Area,%20and%20Communication/ESJ%20GSP%20Chapter%201_07102019.pdf

CHAPTER 11: ACRONYMS AND ABBREVIATIONS

AF	Acre-Feet
AF/YR	Acre-Feet per Year
BMP	Best Management Practices
CAFR	Comprehensive Annual Financial Report
CENTRAL	Central San Joaquin Water Conservation District
CEQA	California Environmental Quality Act
CFS	Cubic Feet per Second
CKH	Cortese-Knox-Hertzberg Reorganization Act of 2000
CPA	Certified Public Accountant
CVP	Central Valley Project
DAC	Disadvantaged Community
DUC	Disadvantaged Unincorporated Community
DWR	Department of Water Resources
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board

GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
LAFCo	Local Agency Formation Commission
LFC	Lower Farmington Canal
MGD	Million Gallons per Day
MHI	Median Household Income
MSR	Municipal Services Review
RTP	Regional Transportation Plan
SB	Senate Bill
SCS	Sustainable Communities Strategy
SGMA	Sustainable Groundwater Management Act
SJCOG	San Joaquin Council of Governments
SOI	Sphere of Influence
STOCKTON EAST	Stockton East Water District
UFC	Upper Farmington Canal
USACE	United States Army Corps of Engineers
USBR	United States Bureau of Reclamation

EXHIBIT “A”

PROJECT DESCRIPTION

CENTRAL SAN JOAQUIN WATER CONSERVATION DISTRICT ANNEXATION

**Description of Van Groningen Annexation
to
Central San Joaquin Water Conservation District
Annexation (LAFC 24-_____)**

A portion of the Southwest Quarter of Section 18 (Eighteen), Township 1 (One) South, Range 8 (Eight) East, Mount Diablo Base and Meridian, County of San Joaquin, State of California, and more particularly described as follows:

Commencing at a point on the **Central San Joaquin Water Conservation District Boundary Line**, said point also being the Northeastly corner of the "Designated Remainder" as shown on that certain Parcel Map filed for record on the 11th day of December, 2015, in Book 26 (Twenty-Six) of Parcel Maps, at Page 42 (Forty-Two), San Joaquin County Records; (1) thence along said District boundary line and along the Northerly line of said "Designated Remainder", South 89°17'00"West, a distance of 1306.83 feet to the Northeastly corner of Parcel "1" (One) as shown on said Parcel Map and being the **True Point of Beginning**; thence leaving said District boundary line along the Easterly, Southerly, and Westerly lines of said Parcel "1" (One) on the following 3 (Three) courses:

- (2) South 01°24'37" East, a distance of 210.00 feet;
- (3) South 89°17'00" West, a distance of 414.89 feet;
- (4) North 01°24'37" West, a distance of 210.00 feet to the Northwestly corner of said Parcel "1" (One), also being a point on said District boundary line;
- (5) thence along the Northerly line of said Parcel "1" (One) and along said District boundary line, North 89°17'00" East, a distance of 414.89 feet to the **True Point of Beginning**, containing 2.00 acres, more or less.

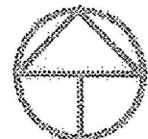
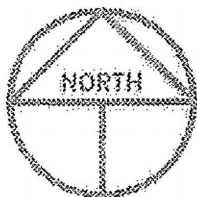
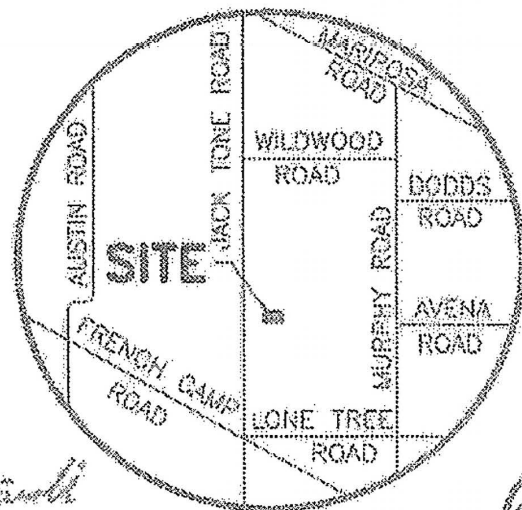
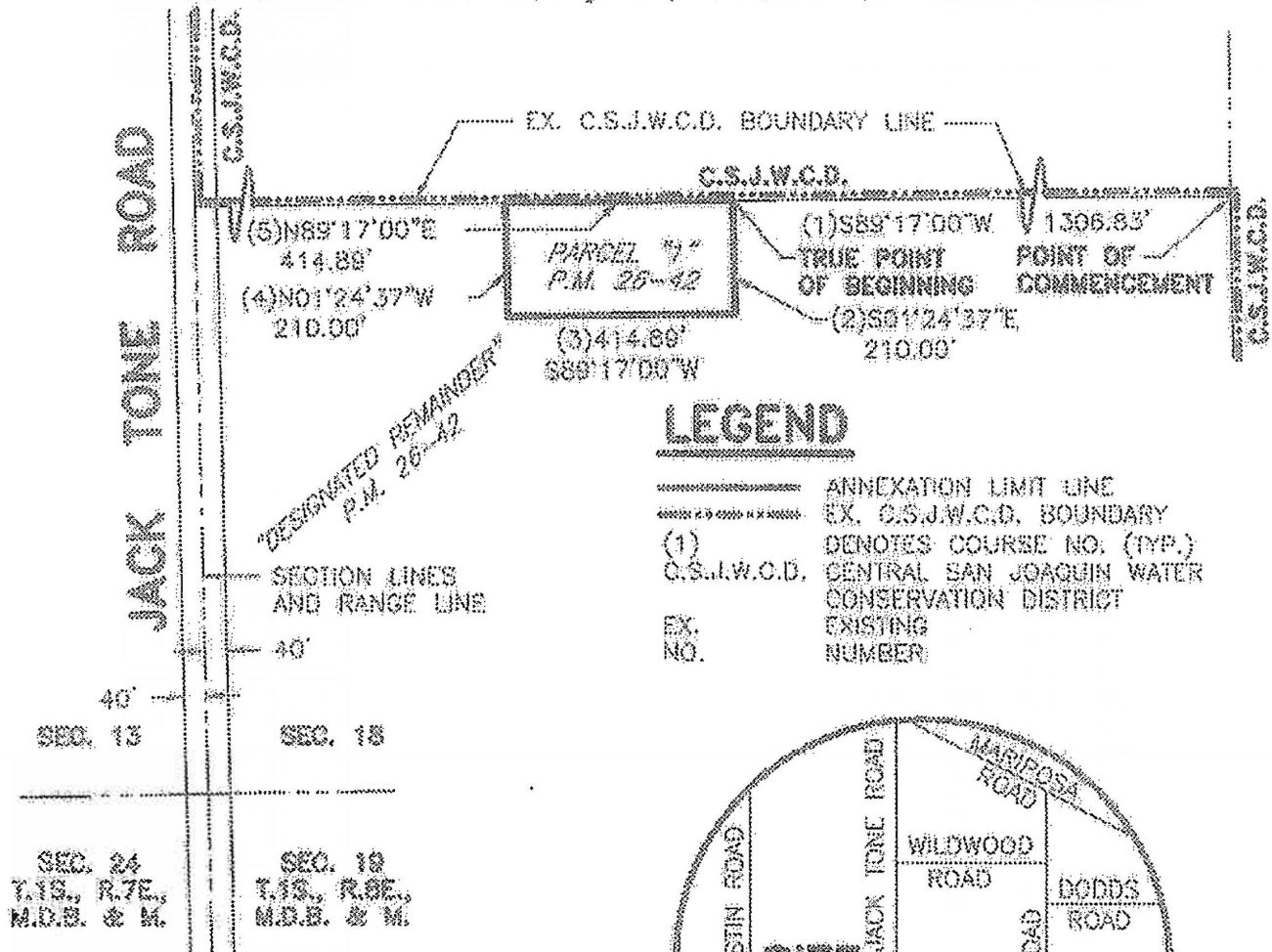
A Plat of the above described Van Groningen Annexation to Central San Joaquin Water Conservation District is attached hereto labeled as "Exhibit Plat of Central San Joaquin Water Conservation District Annexation (LAFC 24-_____)" and made a part hereof.

End of Description



7-16-2024

EXHIBIT PLAT OF CENTRAL SAN JOAQUIN WATER CONSERVATION DISTRICT ANNEXATION (LAFD 24-____) COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA



SCALE: 1" = 500'



0 150' 300' 600'

2024-122

VICINITY MAP

NO SCALE
QUARTAROLI & ASSOCIATES

LAND SURVEYING -- LAND PLANNING
(309) 239-4908
310 SUN WEST PLACE, SUITE "A"
MARIETTA, GA. 30067

EXHIBIT “B”

**INITIAL STUDY FOR
CENTRAL SAN JOAQUIN WATER CONSERVATION
DISTRICT ANNEXATION**

CEQA Environmental Checklist

PROJECT DESCRIPTION AND BACKGROUND

Project Title: Central San Joaquin Water Conservation District Annexation

Lead agency name: Central San Joaquin Water Conservation District

Address: 11 S. San Joaquin St Ste 306 Stockton CA 95202

Contact person: Reid W. Roberts **Phone number:** (209) 466-7952

Project sponsor's name: Central San Joaquin Water Conservation District

Address: 11 S. San Joaquin St Ste 306 Stockton CA 95202

Project Location: San Joaquin County, Parcel 203-040-050-000, Adjacent to existing Southern Boundary of Lead Agency

General plan description: AG-40

Zoning: AG-40

Description of project: Annexation of Parcel 203-040-050-000, 2 acres, adjacent to the existing Southern boundary of the District. These areas lie within San Joaquin County and overlie a common groundwater basin with the District. Present use is agricultural.

Surrounding land uses and setting: Agricultural

Other public agencies whose approval is required (e.g. permits, financial approval, or participation agreements):

San Joaquin County LAFCO

NATIVE AMERICAN CONSULTATION

Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code (PRC) section 21080.3.1? ☐ Yes ☒ No

If yes, ensure that consultation and heritage resource confidentiality follow PRC sections 21080.3.1 and 21080.3.2 and California Government Code 65352.4

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21080.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that Public Resources Code section 21082.3(c) contains provisions specific to confidentiality.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project. Please see the checklist beginning on page 4 for additional information.

- | | |
|---|--|
| ☐ Aesthetics | ☐ Agriculture and Forestry |
| ☐ Air Quality | ☐ Biological Resources |
| ☐ Cultural Resources | ☐ Energy |
| ☐ Geology/Soils | ☐ Greenhouse Gas Emissions |
| ☐ Hazards and Hazardous Materials | ☐ Hydrology/Water Quality |
| ☐ Land Use/Planning | ☐ Mineral Resources |
| ☐ Noise | ☐ Population/Housing |
| ☐ Public Services | ☐ Recreation |
| ☐ Transportation | ☐ Tribal Cultural Resources |
| ☐ Utilities/Service Systems | ☐ Wildfire |
| ☐ Mandatory Findings of Significance | |

DETERMINATION

On the basis of this initial evaluation (choose one):

- ☒ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Reid W. Roberts

Print Name



Signature

5-14-24

Date

CEQA Environmental Checklist

This checklist identifies physical, biological, social and economic factors that might be affected by the proposed project. In many cases, background studies performed in connection with the projects indicate no impacts. A NO IMPACT answer in the last column reflects this determination. Where there is a need for clarifying discussion, the discussion is included either following the applicable section of the checklist or is within the body of the environmental document itself. The words "significant" and "significance" used throughout the following checklist are related to CEQA, not NEPA, impacts. The questions in this form are intended to encourage the thoughtful assessment of impacts and do not represent thresholds of significance.

AESTHETICS

Except as provided in Public Resources Code Section 21099, would the project:

Question	CEQA Determination
a) Have a substantial adverse effect on a scenic vista?	No Impact
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	No Impact
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from a publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?	No Impact
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	No Impact

AGRICULTURE AND FOREST RESOURCES

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment Project; and the forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

Question	CEQA Determination
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	No Impact
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	No Impact
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	No Impact
d) Result in the loss of forest land or conversion of forest land to non-forest use?	No Impact
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	No Impact

AIR QUALITY

Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:

Question	CEQA Determination
a) Conflict with or obstruct implementation of the applicable air quality plan?	No Impact
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	No Impact
c) Expose sensitive receptors to substantial pollutant concentrations?	No Impact
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	No Impact

BIOLOGICAL RESOURCES

Would the project:

Question	CEQA Determination
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife, U.S. Fish and Wildlife Service, or NOAA Fisheries?	No Impact
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	No Impact
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	No Impact
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	No Impact
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	No Impact
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	No Impact

CULTURAL RESOURCES

Would the project:

Question	CEQA Determination
a) Cause a substantial adverse change in the significance of a historical resource pursuant to in §15064.5?	No Impact
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	No Impact
c) Disturb any human remains, including those interred outside of dedicated cemeteries?	No Impact

ENERGY

Would the project:

Question	CEQA Determination
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	No Impact
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	No Impact

GEOLOGY AND SOILS

Would the project:

Question	CEQA Determination
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:	No Impact
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	
ii) Strong seismic ground shaking?	No Impact
iii) Seismic-related ground failure, including liquefaction?	No Impact
iv) Landslides?	No Impact
b) Result in substantial soil erosion or the loss of topsoil?	No Impact
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	No Impact
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?	No Impact
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	No Impact
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	No Impact

GREENHOUSE GAS EMISSIONS

Would the project:

Question	CEQA Determination
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	No Impact
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	No Impact

HAZARDS AND HAZARDOUS MATERIALS

Would the project:

Question	CEQA Determination
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	No Impact
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	No Impact
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	No Impact
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	No Impact
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	No Impact
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	No Impact
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	No Impact

HYDROLOGY AND WATER QUALITY

Would the project:

Question	CEQA Determination
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality?	No Impact
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such the project may impede sustainable groundwater management of the basin?	No Impact
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:	No Impact
(i) result in substantial erosion or siltation on- or off-site;	No Impact
(ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;	
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	
(iv) impede or redirect flood flows?	
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	No Impact
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	No Impact

LAND USE AND PLANNING

Would the project:

Question	CEQA Determination
a) Physically divide an established community?	No Impact
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	No Impact

MINERAL RESOURCES

Would the project:

Question	CEQA Determination
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	No Impact
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	No Impact

NOISE

Would the project result in:

Question	CEQA Determination
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	No Impact
b) Generation of excessive groundborne vibration or groundborne noise levels?	No Impact
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	No Impact

POPULATION AND HOUSING

Would the project:

Question	CEQA Determination
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	No Impact
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	No Impact

PUBLIC SERVICES

Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:

Question	CEQA Determination
a) Fire protection?	No Impact
b) Police protection?	No Impact
c) Schools?	No Impact
d) Parks?	No Impact
e) Other public facilities?	No Impact

RECREATION

Question	CEQA Determination
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	No Impact
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	No Impact

TRANSPORTATION

Would the project:

Question	CEQA Determination
a) Conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	No Impact
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	No Impact
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	No Impact
d) Result in inadequate emergency access?	No Impact

TRIBAL CULTURAL RESOURCES

Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:

Question	CEQA Determination
a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	No Impact
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	No Impact

UTILITIES AND SERVICE SYSTEMS

Would the project:

Question	CEQA Determination
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	No Impact
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	No Impact
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	No Impact
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	No Impact
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	No Impact

WILDFIRE

If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

Question	CEQA Determination
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	No Impact
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	No Impact
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	No Impact
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	No Impact

MANDATORY FINDINGS OF SIGNIFICANCE

Question	CEQA Determination
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	No Impact
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	No Impact
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	No Impact

EXHIBIT “C”

STATEMENT OF OPERATION AND PLAN OF SERVICES FOR CENTRAL SAN JOAQUIN WATER CONSERVATION DISTRICT

August 1, 2024

Prepared For:
SAN JOAQUIN COUNTY LOCAL AGENCY FORMATION COMMISSION

Prepared By:
Central San Joaquin Water Conservation District
11 S. San Joaquin Street Suite 306
Stockton CA 95202

CENTRAL SAN JOAQUIN WCD PLAN FOR SERVICES

Central San Joaquin Water Conservation District has submitted an application, dated May 1, 2024, for annexation of area . Pursuant to Government Code Section 56653 a plan of services is set forth below.

1. The District is a water conservation district providing supplemental surface water, through existing natural streambeds, to farming operators within the District. The supply of supplemental surface water provides an in lieu groundwater recharge program for the over-drafted basin underlying the District. This program benefits all groundwater users in areas of the application, in that these areas overlie the common over-drafted groundwater basin and are immediately adjacent to the current District service area. Any affected area that overlies the common groundwater basin and any operator or future operator of a pumping facility within these areas is now, has been, and will continue to benefit from District operations. Any landowner in Areas 1 and 2 adjacent to or accessible by natural waterways conveying District supplemental surface water may extract such surface water for irrigation purposes.
2. The District is currently providing as much as 40,000 acre feet of supplemental surface water to District users. It is anticipated that as additional diversion facilities are built, more water will be delivered up to a maximum of 80,000 acre feet. Any operator within the affected territories with access to the existing delivery system of the District may construct a diversion facility for supplemental surface water in addition to continually benefiting from the re-charge program.
3. All lands within the affected areas already receive benefits of the re-charged groundwater aquifer. As the District develops and imports greater quantities of supplemental surface water, additional benefits to the groundwater aquifer will occur. Those lands within the affected territories adjacent to or accessible

by the existing natural streambeds, will have surface water services immediately available.

4. Surface water pumps and diversion structures are normally constructed at the cost of the landowner. In the event that diversion structures are required to pool water, the District may be required to construct check dam structures similar to those existing within the District delivery system. Future improvements will depend upon demand for supplemental surface water within the affected area.
5. District operations require that individual diversion structures and pumping facilities are made at the expense of the landowner. However, the District provides a Capital Improvement Program wherein new lands, not previously irrigated by surface water, are given a credit towards water purchases based upon the new acreage and cost of improvement. District improvements will be funded by general District revenue.

SPECIFIC SERVICES:

In addition to the above, the following specific services will be provided to the affected areas:

1. Re-charge of the groundwater aquifer
2. Stabilization of the aquifer over-draft
3. Access to supplemental surface water
4. Maintenance of natural streambeds and diversion structures

CHARGES:

The District is authorized to impose the following charges:

- (1) Groundwater charge based upon a per acre foot extraction for agricultural, residential, and livestock purposes.

- (2) Annual per acre charge
- (3) Sale of surface water at District established rate

FINANCIAL ABILITY

The District currently has the financial ability to provide for purchase and distribution of supplemental surface water based upon on-going charge and sales of surface water.

AVAILABLE CAPACITY

The District currently supplies up to 40,000 acre feet of supplemental surface water supply. The District has the capacity to provide up to 80,000 acre feet of supplemental surface water and can meet demands of the affected areas for supplemental surface water.

TIMING FOR IMPROVEMENTS

The District has constructed a delivery system for surface water that includes pumping facilities and check dam structures. The affected areas will be able to utilize the existing system by connecting to natural streambeds. Any improvements will be made as surface water demands dictate. The District does not have a timeline for any specific improvements for the affected territories.

LOCATION OF DISTRIBUTION SYSTEMS

The District currently utilizes Rock Creek which flows through affected Area 1 and Area 2. Demand will determine the areas of improvement to serve the affected territories. The over-drafted basin underlying the District also underlies Area 1 and 2.

UPDATE OF THE FINANCIAL STATUS

Please refer to the District's most recent audit.

STATEMENT OF OPERATIONS

I. INTRODUCTION

a. Background

A Resolution of Application for a Sphere of Influence Amendment and Annexation to the Central San Joaquin Water Conservation District ("District") has been presented to the Local Agency Formation Commission of San Joaquin County. That Resolution requests the annexation of agricultural land to the District. The District is given authority under Water Code Section 74000 to manage the overdrafted groundwater basin.

The District's existing boundaries were originally established at the time of the District's formation in December 22, 1958 by vote of the people and have been amended over the years through annexations and detachments. The District's current boundaries are generally described as being East of Highway 99, South of a common boundary with the Stockton East Water District, West of the Eastern San Joaquin County line, and North of a common boundary with the South San Joaquin Irrigation District.

The District supplies supplemental surface water from the New Melones Reservoir to District landowners through existing streambeds and man-made canals. Lands within the areas to be annexed can be served supplemental surface water from the existing delivery system. Areas to be annexed benefit from the replenishment to the groundwater aquifer as a result of current surface water deliveries.

An annexation request of agricultural land consisting of Parcel 203-040-050-000, 2 acres, adjacent to the existing Southern boundary of the District, has been received by Bryan Van Groningen. The District has agreed to be the lead agency for the requested annexation. The areas to be annexed are contiguous to the existing boundary of the District.

b. Purpose

On behalf of the District, Petitioner requests that parcels Parcel 203-040-050-000, consisting of 2 acres of land, be annexed into the District boundaries.

II. PLAN OF OPERATION

a. Key Organizational Aspects of the District

i. Board of Directors

A seven person Board of Directors governs the District. The District entirely consists of agricultural areas which are fully developed. A director must reside within the represented division, and Division-wide registered voters elect a director. The Board of Directors operate and conduct the business of the District in accordance with the authority provided it by the State legislature, the Water Conservation District portion of the State Water Code, all other applicable Federal and State government codes and regulations, and its own rules and regulations.

b. Key Budgetary Aspects of the Central San Joaquin Water Conservation District:

- i. Agricultural Groundwater Assessment. Per Section 75500 et seq. of the California Water Code, the District annually makes a determination as to the necessity, amount, and rate of an agricultural groundwater assessment.
- ii. Domestic Groundwater Assessment. Per Section 75500 et seq. of the California Water Code, the District annually makes a determination as to the necessity, amount, and rate of a domestic groundwater assessment.
- iii. Surface Water Charges. Per Section 74526 of the California Water Code, the District annually makes a determination as to the rate for stream delivered water not controlled by contract or agreement.
- iv. Acre Assessment. Per Section 75470 et seq. of the California Water Code, the District annually makes a determination as to the necessity, amount, and rate for a per acre charge not based upon property value.
- v. Other sources of revenue include a share of property taxes and charges as limited by Proposition 13.
- vi. The District's annual budget reflects revenue of approximately \$3,100,000.00 and expenditures of \$2,900,000.00. The fiscal year runs from July 1st through June 30th.

III. DISTRICT SERVICES AND OPERATIONS

The District currently provides the following services:

1. **Non-Potable Water Service.** The District provides non-potable surface water service for irrigating in the District. The District's delivery system allows access to surface irrigation to approximately 40% of District water users. The District bills for the water costs during the irrigation season to the individual customer by progress payments based upon water meter readings or the crop and acres being irrigated.

2. **Groundwater Recharge/Banking.** The District provides surface water in-lieu recharge of the critically overdrafted groundwater basin below the District. The in-lieu recharge is a program of converting groundwater pumpers into surface water users, thereby preserving groundwater supply.

IV. DISTRICT FACILITIES

The District receives surface water from New Melones Reservoir on the Stanislaus River. The New Melones Conveyance System consists of a diversion behind Goodwin Dam on the Stanislaus River, a diversion tunnel, upper canal, natural creeks, lower canal and pipeline conveyance that is capable of delivering surface water to this District and the Stockton East Water District.

Service to the proposed annexed properties would be by delivery through existing streambeds and canals. District delivered surface water currently flows past and through portions of the areas to be annexed. District efforts in supplying supplemental surface water have resulted in a re-charge in excess of 12 feet to the common groundwater aquifer underlying the District and the areas to be annexed. Continued and expanded use of available surface supplies will continue to replenish the overdrafted basin and aquifer.

The District has a water supply contract with the Bureau of Reclamation that includes both a firm water and an interim water supply. Supplement Surface Water is available to deliver to new customers in excess of current deliveries. The District's contract is a priority contract to that of the other San Joaquin County contractors, including but not exclusive to Stockton East Water District.



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